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# S. 718

[Report No. 113-103]

To create jobs in the United States by increasing United States exports to Africa by at least 200 percent in real dollar value within 10 years, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 11, 2013

Mr. DURBIN (for himself, Mr. BOOZMAN, Mr. COONS, Ms. LANDRIEU, Mr. CARDIN, Mr. BROWN, Mr. CASEY, Mr. KIRK, Mr. LEAHY, and Mr. BEGICH) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

SEPTEMBER 10, 2013

Reported by Mr. MENENDEZ, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

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## A BILL

To create jobs in the United States by increasing United States exports to Africa by at least 200 percent in real dollar value within 10 years, and for other purposes.

1       *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

1   **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Increasing American  
3   Jobs Through Greater Exports to Africa Act of 2013”.

4   **SEC. 2. FINDINGS; PURPOSE.**

5       (a) **FINDINGS.**—Congress makes the following find-  
6   ings:

7           (1) Export growth helps United States busi-  
8   nesses grow and create American jobs. In 2011,  
9   United States exports supported 9,700,000 jobs and  
10   97.8 percent of United States exports came from  
11   small- and medium-sized businesses in 2010.

12          (2) The more than 20 Federal agencies that are  
13   involved in export promotion and financing are not  
14   sufficiently coordinated to adequately expand United  
15   States commercial exports to Africa.

16          (3) The President has taken steps to improve  
17   how the United States Government supports Amer-  
18   ican businesses by mandating an executive review  
19   across agencies and a new Doing Business in Africa  
20   initiative, but a substantially greater high-level focus  
21   on Africa is needed.

22          (4) Many other countries have trade promotion  
23   programs that aggressively compete against United  
24   States exports in Africa and around the world. For  
25   example, in 2010, medium- and long-term official ex-  
26   port credit general volumes from the Group of 7

1 countries (Canada, France, Germany, Italy, Japan,  
2 the United Kingdom, and the United States) totaled  
3 \$65,400,000,000. Germany provided the largest level  
4 of support at \$22,500,000,000, followed by France  
5 at \$17,400,000,000 and the United States at  
6 \$13,000,000,000. Official export credit support by  
7 emerging market economies such as Brazil, China,  
8 and India are significant as well.

9 (5) Between 2008 and 2010, China alone pro-  
10 vided more than \$110,000,000,000 in loans to the  
11 developing world, and, in 2009, China surpassed the  
12 United States as the leading trade partner of Afri-  
13 can countries. In the last 10 years, African trade  
14 with China has increased from \$11,000,000,000 to  
15 \$166,000,000,000.

16 (6) The Export-Import Bank of the United  
17 States substantially increased lending to United  
18 States businesses focused on Africa from  
19 \$400,000,000 in 2009 to \$1,400,000,000 in 2011,  
20 but the Export-Import Bank of China dwarfed this  
21 effort with an estimated \$12,000,000,000 worth of  
22 financing. Overall, China is outpacing the United  
23 States in selling goods to Africa at a rate of 3 to  
24 1.

1                   (7) Other countries such as India, Turkey, Russia,  
2                   and Brazil are also aggressively seeking markets  
3                   in Africa using their national export banks to pro-  
4                   vide concessional assistance.

5                   (8) The Chinese practice of concessional financing  
6                   runs contrary to the principles of the Organization  
7                   of Economic Co-operation and Development re-  
8                   lated to open market rates, undermines naturally  
9                   competitive rates, and can allow governments in Af-  
10                  rica to overlook the troubling record on labor prac-  
11                  tices, human rights, and environmental impact.

12                  (9) As stated in a recent report entitled “Em-  
13                  bracing Africa’s Economic Potential” by Senator  
14                  Chris Coons, “Economic growth in Africa has risen  
15                  dramatically, but the continent’s vast economic po-  
16                  tential has not yet been fully realized by the U.S.  
17                  Government or the American private sector.”.

18                  (10) The African continent is undergoing a pe-  
19                  riod of rapid growth and middle class development,  
20                  as seen from major indicators such as Internet use,  
21                  clean water access, and real income growth. In the  
22                  last decade alone, the percentage of the population  
23                  with access to the Internet has doubled. Seventy-  
24                  eight percent of Africa’s rural population now has  
25                  access to clean water. Over the past 10 years, real

1       income per person in Africa has grown by more than  
2       30 percent.

3           (11) Economists have designated Africa as the  
4       “next frontier market”, with profitability of many  
5       African firms and growth rates of African countries  
6       exceeding global averages in recent years. Countries  
7       in Africa have a collective spending power of almost  
8       \$9,000,000,000 and a gross domestic product of  
9       \$1,600,000,000,000, which are projected to double  
10      in the next 10 years.

11           (12) In the past 10 years, Africa has been  
12      home to 6 of the 10 fastest growing economies in  
13      the world. Sub-Saharan Africa is projected to have  
14      the fastest growing economies in the world over the  
15      next 10 years, with 7 of the 10 fastest growing  
16      economies located in sub-Saharan Africa.

17           (13) When countries such as China assist with  
18      large-scale government projects, they also gain an  
19      upper hand in relations with African leaders and ac-  
20      cess to valuable commodities such as oil and copper,  
21      typically without regard to environmental, human  
22      rights, labor, or governance standards.

23           (14) Unless the United States can offer com-  
24      petitive financing for its firms in Africa, it will be  
25      deprived of opportunities to participate in African

1       efforts to close the continent's significant infrastruc-  
2       ture gap that amounts to an estimated  
3       \$100,000,000,000.

4       (b) PURPOSE.—The purpose of this Act is to create  
5       jobs in the United States by expanding programs that will  
6       result in increasing United States exports to Africa by 200  
7       percent in real dollar value within 10 years.

8       **SEC. 3. DEFINITIONS.**

9       In this Act:

10           (1) AFRICA.—The term “Africa” refers to the  
11       entire continent of Africa and its 54 countries, in-  
12       cluding the Republic of South Sudan.

13           (2) AFRICAN DIASPORA.—The term “African  
14       diaspora” means the people of African origin living  
15       in the United States, irrespective of their citizenship  
16       and nationality, who are willing to contribute to the  
17       development of Africa.

18           (3) AGOA.—The term “AGOA” means the Af-  
19       rican Growth and Opportunity Act (19 U.S.C. 3701  
20       et seq.).

21           (4) APPROPRIATE CONGRESSIONAL COMMIT-  
22       TEES.—The term “appropriate congressional com-  
23       mittees” means—

24               (A) the Committee on Appropriations; the  
25       Committee on Banking, Housing, and Urban

1                   Affairs, the Committee on Foreign Relations,  
2                   and the Committee on Finance of the Senate;  
3                   and

4                   (B) the Committee on Appropriations, the  
5                   Committee on Energy and Commerce, the Com-  
6                   mittee on Financial Services, the Committee on  
7                   Foreign Affairs, and the Committee on Ways  
8                   and Means of the House of Representatives.

9                   (5) DEVELOPMENT AGENCIES.—The term “de-  
10                  velopment agencies” includes the Department of  
11                  State, the United States Agency for International  
12                  Development (USAID), the Millennium Challenge  
13                  Corporation (MCC), the Overseas Private Invest-  
14                  ment Corporation (OPIC), the United States Trade  
15                  and Development Agency (USTDA), the United  
16                  States Department of Agriculture (USDA), and relevant multilateral development banks.

18                   (6) TRADE POLICY STAFF COMMITTEE.—The  
19                  term “Trade Policy Staff Committee” means the  
20                  Trade Policy Staff Committee established pursuant  
21                  to section 2002.2 of title 15, Code of Federal Regu-  
22                  lations, and is composed of representatives of Fed-  
23                  eral agencies in charge of developing and coordi-  
24                  nating United States positions on international trade  
25                  and trade-related investment issues.

1                             (7) MULTILATERAL DEVELOPMENT BANKS.—

2         The term “multilateral development banks” has the  
3         meaning given that term in section ~~1701(e)(4)~~ of the  
4         International Financial Institutions Act (~~22 U.S.C.~~  
5         ~~262r(e)(4)~~) and includes the African Development  
6         Foundation.

7                             (8) SUB-SAHARAN REGION.—The term “sub-Sa-  
8         haran region” refers to the 49 countries listed in  
9         section 107 of the African Growth and Opportunity  
10       Act (~~19 U.S.C. 3706~~) and includes the Republic of  
11       South Sudan.

12                             (9) TRADE PROMOTION COORDINATING COM-  
13         MITTEE.—The term “Trade Promotion Coordinating  
14         Committee” means the Trade Promotion Coordinating  
15         Committee established by Executive Order  
16         12870 (~~58 Fed. Reg. 51753~~).

17                             (10) UNITED STATES AND FOREIGN COMMER-  
18         CIAL SERVICE.—The term “United States and For-  
19         eign Commercial Service” means the United States  
20         and Foreign Commercial Service established by sec-  
21         tion 2301 of the Export Enhancement Act of 1988  
22         (~~15 U.S.C. 4721~~).

23         **SEC. 4. STRATEGY.**

24                             (a) IN GENERAL.—Not later than 180 days after the  
25         date of the enactment of this Act, the President shall es-

1 establish a comprehensive United States strategy for public  
2 and private investment, trade, and development in Africa.

3 (b) FOCUS OF STRATEGY.—The strategy required by  
4 subsection (a) shall focus on—

5 (1) increasing exports of United States goods  
6 and services to Africa by 200 percent in real dollar  
7 value within 10 years from the date of the enact-  
8 ment of this Act;

9 (2) promoting the alignment of United States  
10 commercial interests with development priorities in  
11 Africa;

12 (3) developing relationships between the govern-  
13 ments of countries in Africa and United States busi-  
14 nesses that have an expertise in such issues as infra-  
15 structure development, technology, telecommuni-  
16 cations, energy, and agriculture;

17 (4) improving the competitiveness of United  
18 States businesses in Africa, including the role the  
19 African diaspora can play in enhancing such com-  
20 petitiveness;

21 (5) exploring ways that African diaspora remit-  
22 tances can help communities in Africa tackle eco-  
23 nomic, development, and infrastructure financing  
24 needs;

1                         (6) promoting economic integration in Africa  
2 through working with the subregional economic com-  
3 munities, supporting efforts for deeper integration  
4 through the development of customs unions within  
5 western and central Africa and within eastern and  
6 southern Africa; eliminating time-consuming border  
7 formalities into and within these areas; and sup-  
8 porting regionally based infrastructure projects;

9                         (7) encouraging a greater understanding among  
10 United States business and financial communities of  
11 the opportunities Africa holds for United States ex-  
12 ports;

13                         (8) fostering partnership opportunities between  
14 United States and African small- and medium-sized  
15 enterprises; and

16                         (9) monitoring—

17                         (A) market loan rates and the availability  
18 of capital for United States business investment  
19 in Africa;

20                         (B) loan rates offered by the governments  
21 of other countries for investment in Africa; and

22                         (C) the policies of other countries with re-  
23 spect to export financing for investment in Afri-  
24 ea that are predatory or distort markets.

1       (e) CONSULTATIONS.—In developing the strategy re-  
2 quired by subsection (a), the President shall consult  
3 with—

4              (1) Congress;

5              (2) each agency that is a member of the Trade  
6 Promotion Coordinating Committee;

7              (3) the relevant multilateral development banks,  
8 in coordination with the Secretary of the Treasury  
9 and the respective United States Executive Directors  
10 of such banks;

11             (4) each agency that participates in the Trade  
12 Policy Staff Committee;

13             (5) the President's National Export Council;

14             (6) each of the development agencies;

15             (7) any other Federal agencies with responsi-  
16 bility for export promotion or financing and develop-  
17 ment; and

18             (8) the private sector, including businesses,  
19 nongovernmental organizations; and African dias-  
20 pora groups.

21       (d) SUBMISSION TO CONGRESS.—

22             (1) STRATEGY.—Not later than 180 days after  
23 the date of the enactment of this Act, the President  
24 shall submit to Congress the strategy required by  
25 subsection (a).

1                   (2) PROGRESS REPORT.—Not later than 3  
2 years after the date of the enactment of this Act, the  
3 President shall submit to Congress a report on the  
4 implementation of the strategy required by sub-  
5 section (a).

6                   (3) CONTENT OF REPORT.—The report re-  
7 quired by paragraph (2) shall include an assessment  
8 of the extent to which the strategy required by sub-  
9 section (a)—

10                  (A) has been successful in developing crit-  
11 ical analyses of policies to increase exports to  
12 Africa;

13                  (B) has been successful in increasing the  
14 competitiveness of United States businesses in  
15 Africa;

16                  (C) has been successful in creating jobs in  
17 the United States, including the nature and  
18 sustainability of such jobs;

19                  (D) has provided sufficient United States  
20 Government support to meet third country com-  
21 petition in the region;

22                  (E) has been successful in helping the Af-  
23 rican diaspora in the United States participate  
24 in economic growth in Africa;

1                   (F) has been successful in promoting eco-  
2                   nomic integration in Africa; and

3                   (G) has made a meaningful contribution to  
4                   the transformation of Africa and its full inte-  
5                   gration into the 21st century world economy,  
6                   not only as a supplier of primary products but  
7                   also as full participant in international supply  
8                   and distribution chains and as a consumer of  
9                   international goods and services.

10 **SEC. 5. SPECIAL AFRICA STRATEGY COORDINATOR.**

11                  The President shall designate an individual to serve  
12                  as Special Africa Export Strategy Coordinator—

13                  (1) to oversee the development and implementa-  
14                  tion of the strategy required by section 4; and

15                  (2) to coordinate with the Trade Promotion Co-  
16                  ordinating Committee, (the interagency AGOA com-  
17                  mittees), and development agencies with respect to  
18                  developing and implementing the strategy.

19 **SEC. 6. TRADE MISSION TO AFRICA.**

20                  It is the sense of Congress that, not later than 1 year  
21                  after the date of the enactment of this Act, the Secretary  
22                  of Commerce and other high-level officials of the United  
23                  States Government with responsibility for export pro-  
24                  motion, financing, and development should conduct a joint  
25                  trade mission to Africa.

## 1 SEC. 7. PERSONNEL.

2 (a) UNITED STATES AND FOREIGN COMMERCIAL  
3 SERVICE.—

4 (1) IN GENERAL.—The Secretary of Commerce  
5 shall ensure that not less than 10 total United  
6 States and Foreign Commercial Service officers are  
7 assigned to Africa for each of the first 5 fiscal years  
8 beginning after the date of the enactment of this  
9 Act.

10 (2) ASSIGNMENT.—The Secretary shall, in con-  
11 sultation with the Trade Promotion Coordinating  
12 Committee and the Special Africa Export Strategy  
13 Coordinator, assign the United States and Foreign  
14 Commercial Service officers described in paragraph  
15 (1) to United States embassies in Africa after con-  
16 ducting a timely resource allocation analysis that  
17 represents a forward-looking assessment of future  
18 United States trade opportunities in Africa.

## 19 (3) MULTILATERAL DEVELOPMENT BANKS.—

20 (A) IN GENERAL.—As soon as practicable  
21 after the date of the enactment of this Act, the  
22 Secretary of Commerce shall, using existing  
23 staff, assign not less than 1 full-time United  
24 States and Foreign Commercial Service officer  
25 to the office of the United States Executive Di-

1           rector at the World Bank and the African De-  
2           velopment Bank.

3           (B) RESPONSIBILITIES.—Each United  
4           States and Foreign Commercial Service officer  
5           assigned under subparagraph (A) shall be re-  
6           sponsible for—

- 7                 (i) increasing the access of United  
8                 States businesses to procurement contracts  
9                 with the multilateral development bank to  
10                 which the officer is assigned; and  
11                 (ii) facilitating the access of United  
12                 States businesses to risk insurance, equity  
13                 investments, consulting services, and lend-  
14                 ing provided by that bank.

15           (b) EXPORT-IMPORT BANK OF THE UNITED  
16 STATES.—Of the amounts collected by the Export-Import  
17 Bank that remain after paying the expenses the Bank is  
18 authorized to pay from such amounts for administrative  
19 expenses, the Bank shall use sufficient funds to do the  
20 following:

- 21                 (1) Increase the number of staff dedicated to  
22                 expanding business development for Africa, including  
23                 increasing the number of business development trips  
24                 the Bank conducts to Africa and the amount of time  
25                 staff spends in Africa to meet the goals set forth in

1       section 9 and paragraph (4) of section 6(a) of the  
2       Export Import Bank of 1945, as added by section  
3       9(a)(2).

4             (2) Maintain an appropriate number of employ-  
5       ees of the Bank assigned to United States field of-  
6       fices of the Bank to be distributed as geographically  
7       appropriate through the United States. Such offices  
8       shall coordinate with the related export efforts un-  
9       dertaken by the Small Business Administration re-  
10      gional field offices.

11            (3) Upgrade the Bank's equipment and soft-  
12       ware to more expeditiously, effectively, and effi-  
13       ciently process and track applications for financing  
14       received by the Bank.

15           (e) OVERSEAS PRIVATE INVESTMENT CORPORA-  
16      TION.—

17           (1) STAFFING.—Of the net offsetting collections  
18       collected by the Overseas Private Investment Cor-  
19       poration used for administrative expenses, the Cor-  
20       poration shall use sufficient funds to increase by not  
21       more than 5 the staff needed to promote stable and  
22       sustainable economic growth and development in Af-  
23       rica, to strengthen and expand the private sector in  
24       Africa, and to facilitate the general economic devel-  
25       opment of Africa, with a particular focus on helping

1       United States businesses expand into African mar-  
2       kets.

3           (2) REPORT.—The Corporation shall report to  
4       the appropriate congressional committees on whether  
5       recent technology upgrades have resulted in more ef-  
6       fective and efficient processing and tracking of appli-  
7       cations for financing received by the Corporation.

8           (3) CERTAIN COSTS NOT CONSIDERED ADMINIS-  
9       TRATIVE EXPENSES.—For purposes of this sub-  
10      section, systems infrastructure costs associated with  
11      activities authorized by title IV of chapter 2 of part  
12      I of the Foreign Assistance Act of 1961 (22 U.S.C.  
13      231 et seq.) shall not be considered administrative  
14      expenses.

15           (d) RULE OF CONSTRUCTION.—Nothing in this sec-  
16      tion shall be construed as permitting the reduction of De-  
17      partment of Commerce, Department of State, Export Im-  
18      port Bank, or Overseas Private Investment Corporation  
19      personnel or the alteration of planned personnel increases  
20      in other regions, except where a personnel decrease was  
21      previously anticipated or where decreased export opportu-  
22      nities justify personnel reductions.

23      **SEC. 8. TRAINING.**

24       The President shall develop a plan—

1                 (1) to standardize the training received by  
2         United States and Foreign Commercial Service offi-  
3         cers, economic officers of the Department of State,  
4         and economic officers of the United States Agency  
5         for International Development with respect to the  
6         programs and procedures of the Export-Import  
7         Bank of the United States, the Overseas Private In-  
8         vestment Corporation, the Small Business Adminis-  
9         tration, and the United States Trade and Develop-  
10         ment Agency; and

11                 (2) to ensure that, not later than 1 year after  
12         the date of the enactment of this Act—

13                     (A) all United States and Foreign Com-  
14         mercial Service officers that are stationed over-  
15         seas receive the training described in paragraph  
16         (1); and

17                     (B) in the case of a country to which no  
18         United States and Foreign Commercial Service  
19         officer is assigned, any economic officer of the  
20         Department of State stationed in that country  
21         shall receive that training.

22     **SEC. 9. EXPORT-IMPORT BANK FINANCING.**

23                 (a) FINANCING FOR PROJECTS IN AFRICA.—

24                     (1) SENSE OF CONGRESS.—It is the sense of  
25         Congress that foreign export credit agencies are pro-

1 viding non-OECD arrangement compliant financing  
2 in Africa, which is trade distorting and threatens  
3 United States jobs.

4 (2) IN GENERAL.—Section 6(a) of the Export-  
5 Import Bank Act of 1945 (12 U.S.C. 635e(a)) is  
6 amended by adding at the end the following:

7 “(4) PERCENT OF FINANCING TO BE USED FOR  
8 PROJECTS IN AFRICA.—The Bank shall, to the ex-  
9 tent that there are acceptable final applications, in-  
10 crease the amount it finances to Africa over the  
11 prior year’s financing for each of the first five fiscal  
12 years beginning after the date of the enactment of  
13 the Increasing American Jobs Through Greater Ex-  
14 ports to Africa Act of 2013.”.

15 (3) REPORT.—Not later than 1 year after the  
16 date of the enactment of this Act, and annually  
17 thereafter for 5 years, the Export-Import Bank shall  
18 report to the Committee on Banking, Housing, and  
19 Urban Affairs, the Committee on Foreign Relations,  
20 and the Committee on Appropriations of the Senate  
21 and the Committee on Financial Services, the Com-  
22 mittee on Foreign Affairs, and the Committee on  
23 Appropriations of the House of Representatives if  
24 the Bank has not used at least 10 percent of its  
25 lending capabilities for projects in Africa as de-

1 scribed in paragraph (4) of section 6(a) of the Export-Import Bank of 1945, as added by paragraph  
2 (2). The report shall include the reasons why the  
3 Bank failed to reach this goal and a description of  
4 all final applications for projects in Africa that were  
5 deemed unworthy of Bank support.

7 (b) AVAILABILITY OF PORTION OF CAPITALIZATION  
8 TO COMPETE AGAINST FOREIGN CONCESSIONAL  
9 LOANS.—

10 (1) IN GENERAL.—The Bank shall make available annually such amounts as are necessary for loans that counter trade distorting non-OECD arrangement compliant financing or preferential, tied aid, or other related non-market loans offered by other nations for which United States companies are also competing or interested in competing.

17 (2) REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter for 5 years, the Export-Import Bank shall submit to the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate and the Committee on Financial Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives a re-

1 port on all loans made or rejected that were consid-  
2 ered to counter non-OECD arrangement compliant  
3 financing offered by other nations to its firms. The  
4 report shall not disclose any information that is con-  
5 fidential or business proprietary, or that would vio-  
6 late section 1905 of title 18, United States Code  
7 (commonly referred to as the “Trade Secrets Act”).  
8 The report shall include a description of trade dis-  
9 torting non-OECD arrangement compliant financing  
10 loans made by other countries during that fiscal year  
11 to firms that competed against the United States  
12 firms.

13 **SEC. 10. SMALL BUSINESS ADMINISTRATION.**

14 Section 22(b) of the Small Business Act (15 U.S.C.  
15 § 649(b)) is amended—

16           (1) in the matter preceding paragraph (1), by  
17 inserting “the Trade Promotion Coordinating Com-  
18 mittee,” after “Director of the United States Trade  
19 and Development Agency;” and

20           (2) in paragraph (3), by inserting “regional of-  
21 fices of the Export Import Bank,” after “Retired  
22 Executives.”

1   **SEC. 11. BILATERAL, SUBREGIONAL AND REGIONAL, AND**  
2                   **MULTILATERAL AGREEMENTS.**

3       Where applicable, the President shall explore oppor-  
4   tunities to negotiate bilateral, subregional, and regional  
5   agreements that encourage trade and eliminate nontariff  
6   barriers to trade between countries, such as negotiating  
7   investor friendly double taxation treaties and investment  
8   promotion agreements. United States negotiators in multi-  
9   lateral forum should take into account the objectives of  
10   this Act. To the extent any such agreements exist between  
11   the United States and an African country, the President  
12   shall ensure that the agreement is being implemented in  
13   a manner that maximizes the positive effects for United  
14   States trade, export, and labor interests as well as the eco-  
15   nomic development of the countries in Africa.

16   **SECTION 1. SHORT TITLE.**

17       *This Act may be cited as the “Increasing American*  
18   *Jobs Through Greater Exports to Africa Act of 2013”.*

19   **SEC. 2. FINDINGS; PURPOSE.**

20       (a) *FINDINGS.—Congress makes the following findings:*  
21                   *(1) Export growth helps United States businesses*  
22   *grow and create American jobs. In 2011, United*  
23   *States exports supported 9,700,000 jobs and 97.8 per-*  
24   *cent of United States exports came from small- and*  
25   *medium-sized businesses in 2010.*

1                   (2) *The more than 20 Federal agencies that are  
2 involved in export promotion and financing are not  
3 sufficiently coordinated to adequately expand United  
4 States commercial exports to Africa.*

5                   (3) *The President has taken steps to improve  
6 how the United States Government supports Amer-  
7 ican businesses by mandating an executive review  
8 across agencies and a new Doing Business in Africa  
9 initiative, but a substantially greater high-level focus  
10 on Africa is needed.*

11                  (4) *Many other countries have trade promotion  
12 programs that aggressively compete against United  
13 States exports in Africa and around the world. For  
14 example, in 2010, medium- and long-term official ex-  
15 port credit general volumes from the Group of 7 coun-  
16 tries (Canada, France, Germany, Italy, Japan, the  
17 United Kingdom, and the United States) totaled  
18 \$65,400,000,000. Germany provided the largest level  
19 of support at \$22,500,000,000, followed by France at  
20 \$17,400,000,000 and the United States at  
21 \$13,000,000,000. Official export credit support by  
22 emerging market economies such as Brazil, China,  
23 and India are significant as well.*

24                  (5) *Between 2008 and 2010, China alone pro-  
25 vided more than \$110,000,000,000 in loans to the de-*

1       *veloping world, and, in 2009, China surpassed the*  
2       *United States as the leading trade partner of African*  
3       *countries. In the last 10 years, African trade with*  
4       *China has increased from \$11,000,000,000 to*  
5       *\$166,000,000,000.*

6           (6) *The Export-Import Bank of the United*  
7       *States substantially increased lending to United*  
8       *States businesses focused on Africa from \$400,000,000*  
9       *in 2009 to \$1,400,000,000 in 2011, but the Export-*  
10      *Import Bank of China dwarfed this effort with an es-*  
11      *timated \$12,000,000,000 worth of financing. Overall,*  
12      *China is outpacing the United States in selling goods*  
13      *to Africa at a rate of 3 to 1.*

14           (7) *Other countries such as India, Turkey, Russia,*  
15       *and Brazil are also aggressively seeking markets*  
16       *in Africa using their national export banks to provide*  
17       *concessional assistance.*

18           (8) *The Chinese practice of concessional financ-*  
19       *ing runs contrary to the principles of the Organiza-*  
20       *tion of Economic Co-operation and Development re-*  
21       *lated to open market rates, undermines naturally*  
22       *competitive rates, and can allow governments in Afri-*  
23       *ca to overlook the troubling record on labor practices,*  
24       *human rights, and environmental impact.*

1                   (9) As stated in a recent report entitled “Em-  
2 bracing Africa’s Economic Potential” by Senator  
3 Chris Coons, “Economic growth in Africa has risen  
4 dramatically, but the continent’s vast economic poten-  
5 tial has not yet been fully realized by the U.S. Gov-  
6 ernment or the American private sector.”

7                   (10) The African continent is undergoing a pe-  
8 riod of rapid growth and middle class development,  
9 as seen from major indicators such as Internet use,  
10 clean water access, and real income growth. In the  
11 last decade alone, the percentage of the population  
12 with access to the Internet has doubled. Seventy-eight  
13 percent of Africa’s rural population now has access to  
14 clean water. Over the past 10 years, real income per  
15 person in Africa has grown by more than 30 percent.  
16 Such economic growth will expand even faster if more  
17 reliable energy production is achieved—a business  
18 sector in which American industry excels.

19                   (11) Economists have designated Africa as the  
20 “next frontier market”, with profitability of many Af-  
21 rican firms and growth rates of African countries ex-  
22 ceeding global averages in recent years. Countries in  
23 Africa have a collective spending power of almost  
24 \$9,000,000,000 and a gross domestic product of

1       \$1,600,000,000,000, which are projected to double in  
2       the next 10 years.

3                 (12) In the past 10 years, Africa has been home  
4       to 6 of the 10 fastest growing economies in the world.  
5       Sub-Saharan Africa is projected to have the fastest  
6       growing economies in the world over the next 10  
7       years, with 7 of the 10 fastest growing economies lo-  
8       cated in sub-Saharan Africa.

9                 (13) When countries such as China assist with  
10      large-scale government projects, they also gain an  
11      upper hand in relations with African leaders and ac-  
12      cess to valuable commodities such as oil and copper,  
13      typically without regard to environmental, human  
14      rights, labor, or governance standards.

15                 (14) Unless the United States can offer competi-  
16      tive financing for its firms in Africa, it will be de-  
17      prived of opportunities to participate in African ef-  
18      forts to close the continent's significant infrastructure  
19      gap that amounts to an estimated \$100,000,000,000.

20                 (b) PURPOSE.—The purpose of this Act is to create jobs  
21      in the United States by expanding programs that will result  
22      in increasing United States exports to Africa by 200 per-  
23      cent in real dollar value within 10 years.

24      **SEC. 3. DEFINITIONS.**

25                 In this Act:

1                   (1) *AFRICA*.—The term “Africa” refers to the entire continent of Africa and its 54 countries, including the Republic of South Sudan.

4                   (2) *AFRICAN DIASPORA*.—The term “African diaspora” means the people of African origin living in the United States, irrespective of their citizenship and nationality, who are willing to contribute to the development of Africa.

9                   (3) *AGOA*.—The term “AGOA” means the African Growth and Opportunity Act (19 U.S.C. 3701 et seq.).

12                  (4) *APPROPRIATE CONGRESSIONAL COMMITTEES*.—The term “appropriate congressional committees” means—

15                  (A) the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Committee on Finance of the Senate; and

19                  (B) the Committee on Appropriations, the Committee on Energy and Commerce, the Committee on Financial Services, the Committee on Foreign Affairs, and the Committee on Ways and Means of the House of Representatives.

24                  (5) *DEVELOPMENT AGENCIES*.—The term “development agencies” includes the Department of State,

1       *the United States Agency for International Develop-*  
2       *ment (USAID), the Millennium Challenge Corpora-*  
3       *tion (MCC), the Overseas Private Investment Cor-*  
4       *poration (OPIC), the United States Trade and Devel-*  
5       *opment Agency (USTDA), the United States Depart-*  
6       *ment of Agriculture (USDA), and relevant multilat-*  
7       *eral development banks.*

8           (6) *TRADE POLICY STAFF COMMITTEE.*—The  
9       *term “Trade Policy Staff Committee” means the*  
10      *Trade Policy Staff Committee established pursuant to*  
11      *section 2002.2 of title 15, Code of Federal Regula-*  
12      *tions, and is composed of representatives of Federal*  
13      *agencies in charge of developing and coordinating*  
14      *United States positions on international trade and*  
15      *trade-related investment issues.*

16           (7) *MULTILATERAL DEVELOPMENT BANKS.*—The  
17       *term “multilateral development banks” has the mean-*  
18       *ing given that term in section 1701(c)(4) of the Inter-*  
19       *national Financial Institutions Act (22 U.S.C.*  
20       *262r(c)(4)) and includes the African Development*  
21       *Foundation.*

22           (8) *SUB-SAHARAN REGION.*—The term “sub-Sa-  
23       *haran region” refers to the 49 countries listed in sec-*  
24       *tion 107 of the African Growth and Opportunity Act*

1       (19 U.S.C. 3706) and includes the Republic of South  
2       Sudan.

3                 (9) TRADE PROMOTION COORDINATING COM-  
4       MITTEE.—The term “Trade Promotion Coordinating  
5       Committee” means the Trade Promotion Coordi-  
6       nating Committee established by Executive Order  
7       12870 (58 Fed. Reg. 51753).

8                 (10) UNITED STATES AND FOREIGN COMMERCIAL  
9       SERVICE.—The term “United States and Foreign  
10      Commercial Service” means the United States and  
11      Foreign Commercial Service established by section  
12      2301 of the Export Enhancement Act of 1988 (15  
13      U.S.C. 4721).

14 **SEC. 4. STRATEGY.**

15       (a) IN GENERAL.—Not later than 180 days after the  
16      date of the enactment of this Act, the President shall estab-  
17      lish a comprehensive United States strategy for public and  
18      private investment, trade, and development in Africa.

19       (b) FOCUS OF STRATEGY.—The strategy required by  
20      subsection (a) shall focus on—

21                 (1) increasing exports of United States goods  
22      and services to Africa by 200 percent in real dollar  
23      value within 10 years from the date of the enactment  
24      of this Act;

1                   (2) promoting the alignment of United States  
2 commercial interests with development priorities in  
3 Africa;

4                   (3) developing relationships between the govern-  
5 ments of countries in Africa and United States busi-  
6 nesses that have an expertise in such issues as critical  
7 energy security, infrastructure development, tech-  
8 nology, telecommunications, and agriculture;

9                   (4) improving the competitiveness of United  
10 States businesses in Africa, including by encouraging  
11 the adoption of United States construction codes and  
12 product standards, with emphasis on those designated  
13 as American National Standards by the American  
14 National Standards Institute where applicable;

15                   (5) exploring the role the African diaspora can  
16 play in enhancing competitiveness of United States  
17 businesses in African and ways that African diaspora  
18 remittances can help communities in Africa tackle  
19 economic, development, and infrastructure financing  
20 needs;

21                   (6) promoting economic integration in Africa  
22 through working with the subregional economic com-  
23 munities, supporting efforts for deeper integration  
24 through the development of customs unions within  
25 western and central Africa and within eastern and

1       *southern Africa, eliminating time-consuming border*  
2       *formalities into and within these areas, and sup-*  
3       *porting regionally based infrastructure projects;*

4           *(7) encouraging a greater understanding among*  
5       *United States business and financial communities of*  
6       *the opportunities Africa holds for United States ex-*  
7       *ports;*

8           *(8) fostering partnership opportunities between*  
9       *United States and African small- and medium-sized*  
10      *enterprises;*

11       *(9) supporting African entrepreneurship and*  
12      *private sector development as a means to sustainable*  
13      *economic growth and security; and*

14       *(10) monitoring—*

15           *(A) market loan rates and the availability*  
16      *of capital for United States business investment*  
17      *in Africa;*

18           *(B) loan rates offered by the governments of*  
19      *other countries for investment in Africa; and*

20           *(C) the policies of other countries with re-*  
21      *spect to export financing for investment in Afri-*  
22      *ca that are predatory or distort markets.*

23       *(c) CONSULTATIONS.—In developing the strategy re-*  
24      *quired by subsection (a), the President shall consult with—*

25       *(1) Congress;*

1                   (2) each agency that is a member of the Trade  
2                   Promotion Coordinating Committee;

3                   (3) the relevant multilateral development banks,  
4                   in coordination with the Secretary of the Treasury  
5                   and the respective United States Executive Directors  
6                   of such banks;

7                   (4) each agency that participates in the Trade  
8                   Policy Staff Committee;

9                   (5) the President's National Export Council;

10                  (6) each of the development agencies;

11                  (7) any other Federal agencies with responsi-  
12                  bility for export promotion or financing and develop-  
13                  ment; and

14                  (8) the private sector, including businesses, non-  
15                  governmental organizations, and African diaspora  
16                  groups.

17                  (d) SUBMISSION TO CONGRESS.—

18                  (1) STRATEGY.—Not later than 180 days after  
19                  the date of the enactment of this Act, the President  
20                  shall submit to Congress the strategy required by sub-  
21                  section (a).

22                  (2) PROGRESS REPORT.—Not later than 3 years  
23                  after the date of the enactment of this Act, the Presi-  
24                  dent shall submit to Congress a report on the imple-  
25                  mentation of the strategy required by subsection (a).

1                   (3) *CONTENT OF REPORT.*—*The report required*  
2       *by paragraph (2) shall include an accounting of all*  
3       *current United States Government programs to pro-*  
4       *mote exports to and trade with Africa and to assist*  
5       *United States businesses competing in the African*  
6       *market as well as an assessment of the extent to which*  
7       *the strategy required by subsection (a)—*

8                   (A) *has been successful in developing crit-*

9       *ical analyses of policies to increase exports to Af-*

10      *rica;*

11                   (B) *has been successful in increasing the*

12       *competitiveness of United States businesses in*

13      *Africa;*

14                   (C) *has been successful in creating jobs in*

15       *the United States, including the nature and sus-*

16      *tainability of such jobs;*

17                   (D) *has provided sufficient United States*

18       *Government support to meet third country com-*

19      *petition in the region;*

20                   (E) *has been successful in helping the Afri-*

21       *can diaspora in the United States participate in*

22      *economic growth in Africa;*

23                   (F) *has been successful in promoting eco-*

24      *nomic integration in Africa;*

1                   (G) has encouraged specific policies and  
2                   programs in Africa which provide a stable, safe,  
3                   and transparent environment in which business  
4                   and entrepreneurship can thrive; and

5                   (H) has made a meaningful contribution to  
6                   the transformation of Africa and its full integra-  
7                   tion into the 21st century world economy, not  
8                   only as a supplier of primary products but also  
9                   as full participant in international supply and  
10                  distribution chains and as a consumer of inter-  
11                  national goods and services.

12 **SEC. 5. SPECIAL AFRICA STRATEGY COORDINATOR.**

13                  The President shall designate an individual to serve  
14                  as Special Africa Export Strategy Coordinator—

15                  (1) to oversee the development and implemen-  
16                  tation of the strategy required by section 4; and  
17                  (2) to coordinate with the Trade Promotion Co-  
18                  ordinating Committee, (the interagency AGOA com-  
19                  mittees), and development agencies with respect to de-  
20                  veloping and implementing the strategy.

21 **SEC. 6. TRADE MISSION TO AFRICA.**

22                  It is the sense of Congress that, not later than 1 year  
23                  after the date of the enactment of this Act, the Secretary  
24                  of Commerce and other high-level officials of the United  
25                  States Government with responsibility for export pro-

1 motion, financing, and development should conduct a joint  
2 trade mission to Africa.

3 **SEC. 7. PERSONNEL.**

4 (a) UNITED STATES AND FOREIGN COMMERCIAL  
5 SERVICE.—

6 (1) IN GENERAL.—The Secretary of Commerce  
7 shall ensure that not less than 10 total United States  
8 and Foreign Commercial Service officers are assigned  
9 to Africa for each of the first 5 fiscal years beginning  
10 after the date of the enactment of this Act.

11 (2) ASSIGNMENT.—The Secretary shall, in con-  
12 sultation with the Trade Promotion Coordinating  
13 Committee and the Special Africa Export Strategy  
14 Coordinator, assign the United States and Foreign  
15 Commercial Service officers described in paragraph  
16 (1) to United States embassies in Africa after con-  
17 ducting a timely resource allocation analysis that  
18 represents a forward-looking assessment of future  
19 United States trade opportunities in Africa.

20 (3) MULTILATERAL DEVELOPMENT BANKS.—

21 (A) IN GENERAL.—As soon as practicable  
22 after the date of the enactment of this Act, the  
23 Secretary of Commerce shall, using existing staff,  
24 assign not less than 1 full-time United States  
25 and Foreign Commercial Service officer to the of-

1                             *fice of the United States Executive Director at*  
2                             *the World Bank and the African Development*  
3                             *Bank.*

4                             (B)    *RESPONSIBILITIES.—Each United*  
5                             *States and Foreign Commercial Service officer*  
6                             *assigned under subparagraph (A) shall be re-*  
7                             *sponsible for—*

8                             (i)    *increasing the access of United*  
9                             *States businesses to procurement contracts*  
10                            *with the multilateral development bank to*  
11                            *which the officer is assigned; and*

12                           (ii)    *facilitating the access of United*  
13                           *States businesses to risk insurance, equity*  
14                           *investments, consulting services, and lend-*  
15                           *ing provided by that bank.*

16                             (b)    *EXPORT-IMPORT BANK OF THE UNITED STATES.—*  
17                             *Of the amounts collected by the Export-Import Bank that*  
18                           *remain after paying the expenses the Bank is authorized*  
19                           *to pay from such amounts for administrative expenses, the*  
20                           *Bank shall use sufficient funds to do the following:*

21                             (1)    *Increase the number of staff dedicated to ex-*  
22                           *panding business development for Africa, including*  
23                           *increasing the number of business development trips*  
24                           *the Bank conducts to Africa and the amount of time*  
25                           *staff spends in Africa to meet the goals set forth in*

1       *section 9 and paragraph (4) of section 6(a) of the Export-*  
2       *Import Bank of 1945, as added by section*  
3       *9(a)(2).*

4           *(2) Maintain an appropriate number of employees of the Bank assigned to United States field offices of the Bank to be distributed as geographically appropriate through the United States. Such offices shall coordinate with the related export efforts undertaken by the Small Business Administration regional field offices.*

11          *(3) Upgrade the Bank's equipment and software to more expeditiously, effectively, and efficiently process and track applications for financing received by the Bank.*

15          *(c) OVERSEAS PRIVATE INVESTMENT CORPORATION.—*

16           *(1) STAFFING.—Of the net offsetting collections collected by the Overseas Private Investment Corporation used for administrative expenses, the Corporation shall use sufficient funds to increase by not more than 5 the staff needed to promote stable and sustainable economic growth and development in Africa, to strengthen and expand the private sector in Africa, and to facilitate the general economic development of Africa, with a particular focus on helping United States businesses expand into African markets.*

1                   (2) *REPORT.*—The Corporation shall report to  
2       the appropriate congressional committees on whether  
3       recent technology upgrades have resulted in more ef-  
4       fective and efficient processing and tracking of appli-  
5       cations for financing received by the Corporation.

6                   (3) *CERTAIN COSTS NOT CONSIDERED ADMINIS-  
7       TRATIVE EXPENSES.*—For purposes of this subsection,  
8       systems infrastructure costs associated with activities  
9       authorized by title IV of chapter 2 of part I of the  
10      Foreign Assistance Act of 1961 (22 U.S.C. 231 et seq.)  
11      shall not be considered administrative expenses.

12                  (d) *RULE OF CONSTRUCTION.*—Nothing in this section  
13      shall be construed as permitting the reduction of Depart-  
14      ment of Commerce, Department of State, Export Import  
15      Bank, or Overseas Private Investment Corporation per-  
16      sonnel or the alteration of planned personnel increases in  
17      other regions, except where a personnel decrease was pre-  
18      viously anticipated or where decreased export opportunities  
19      justify personnel reductions.

20      **SEC. 8. TRAINING.**

21                  The President shall develop a plan—

22                   (1) to standardize the training received by  
23       United States and Foreign Commercial Service offi-  
24       cers, economic officers of the Department of State,  
25       and economic officers of the United States Agency for

1       *International Development with respect to the pro-*  
2       *grams and procedures of the Export-Import Bank of*  
3       *the United States, the Overseas Private Investment*  
4       *Corporation, the Small Business Administration, and*  
5       *the United States Trade and Development Agency;*  
6       *and*

7               *(2) to ensure that, not later than 1 year after the*  
8       *date of the enactment of this Act—*

9                       *(A) all United States and Foreign Commer-*  
10       *cial Service officers that are stationed overseas*  
11       *receive the training described in paragraph (1);*  
12       *and*

13                       *(B) in the case of a country to which no*  
14       *United States and Foreign Commercial Service*  
15       *officer is assigned, any economic officer of the*  
16       *Department of State stationed in that country*  
17       *shall receive that training.*

18       **SEC. 9. EXPORT-IMPORT BANK FINANCING.**

19               *(a) FINANCING FOR PROJECTS IN AFRICA.—*

20                       *(1) SENSE OF CONGRESS.—It is the sense of*  
21       *Congress that foreign export credit agencies are pro-*  
22       *viding non-OECD arrangement compliant financing*  
23       *in Africa, which is trade distorting and threatens*  
24       *United States jobs.*

1                   (2) *IN GENERAL.*—Section 6(a) of the Export-  
2       Import Bank Act of 1945 (12 U.S.C. 635e(a)) is  
3       amended by adding at the end the following:

4                   “(4) *PERCENT OF FINANCING TO BE USED FOR*  
5       *PROJECTS IN AFRICA.*—The Bank shall, to the extent  
6       that there are acceptable final applications, increase  
7       the amount it finances to Africa over the prior year’s  
8       financing for each of the first five fiscal years begin-  
9       ning after the date of the enactment of the Increasing  
10      American Jobs Through Greater Exports to Africa  
11      Act of 2013.”.

12                  (3) *REPORT.*—Not later than 1 year after the  
13       date of the enactment of this Act, and annually there-  
14       after for 5 years, the Export-Import Bank shall report  
15       to the Committee on Banking, Housing, and Urban  
16       Affairs, the Committee on Foreign Relations, and the  
17       Committee on Appropriations of the Senate and the  
18       Committee on Financial Services, the Committee on  
19       Foreign Affairs, and the Committee on Appropria-  
20       tions of the House of Representatives if the Bank has  
21       not used at least 10 percent of its lending capabilities  
22       for projects in Africa as described in paragraph (4)  
23       of section 6(a) of the Export-Import Bank of 1945, as  
24       added by paragraph (2). The report shall include the  
25       reasons why the Bank failed to reach this goal and

1       *a description of all final applications for projects in  
2       Africa that were deemed unworthy of Bank support.*

3       *(b) AVAILABILITY OF PORTION OF CAPITALIZATION TO  
4       COMPETE AGAINST FOREIGN CONCESSIONAL LOANS.—*

5           *(1) IN GENERAL.—The Bank shall make avail-  
6       able annually such amounts as are necessary for  
7       loans that counter trade distorting non-OECD ar-  
8       rangement compliant financing or preferential, tied  
9       aid, or other related non-market loans offered by other  
10      nations for which United States companies are also  
11      competing or interested in competing.*

12          *(2) REPORT.—Not later than 1 year after the  
13       date of the enactment of this Act, and annually there-  
14       after for 5 years, the Export-Import Bank shall sub-  
15       mit to the Committee on Banking, Housing, and  
16       Urban Affairs, the Committee on Foreign Relations,  
17       and the Committee on Appropriations of the Senate  
18       and the Committee on Financial Services, the Com-  
19       mittee on Foreign Affairs, and the Committee on Ap-  
20       propriations of the House of Representatives a report  
21       on all loans made or rejected that were considered to  
22       counter non-OECD arrangement compliant financing  
23       offered by other nations to its firms. The report shall  
24       not disclose any information that is confidential or  
25       business proprietary, or that would violate section*

1       *1905 of title 18, United States Code (commonly re-*  
2       *ferred to as the “Trade Secrets Act”). The report shall*  
3       *include a description of trade distorting non-OECD*  
4       *arrangement compliant financing loans made by*  
5       *other countries during that fiscal year to firms that*  
6       *competed against the United States firms.*

7       **SEC. 10. SMALL BUSINESS ADMINISTRATION.**

8       *Section 22(b) of the Small Business Act (15 U.S.C.*  
9       *649(b)) is amended—*

10       *(1) in the matter preceding paragraph (1), by*  
11       *inserting “the Trade Promotion Coordinating Com-*  
12       *mittee,” after “Director of the United States Trade*  
13       *and Development Agency,”; and*

14       *(2) in paragraph (3), by inserting “regional of-*  
15       *fices of the Export-Import Bank,” after “Retired Ex-*  
16       *ecutives.”.*

17       **SEC. 11. BILATERAL, SUBREGIONAL AND REGIONAL, AND**  
18                   **MULTILATERAL AGREEMENTS.**

19       *Where applicable, the President shall explore opportu-*  
20       *nities to negotiate bilateral, subregional, and regional*  
21       *agreements that encourage trade and eliminate nontariff*  
22       *barriers to trade between countries, such as negotiating in-*  
23       *vestor friendly double-taxation treaties and investment pro-*  
24       *motion agreements. United States negotiators in multilat-*  
25       *eral forum should take into account the objectives of this*

1 *Act. To the extent any such agreements exist between the*  
2 *United States and an African country, the President shall*  
3 *ensure that the agreement is being implemented in a man-*  
4 *ner that maximizes the positive effects for United States*  
5 *trade, export, and labor interests as well as the economic*  
6 *development of the countries in Africa.*

**Calendar No. 181**

113<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION  
**S. 718**

[Report No. 113-103]

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**A BILL**

To create jobs in the United States by increasing United States exports to Africa by at least 200 percent in real dollar value within 10 years, and for other purposes.

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SEPTEMBER 10, 2013

Reported with an amendment